IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

SUMMONS FOR JUDGMENT NO.450 OF 2005
IN
SUMMARY SUIT NO.3047 OF 2001

Reuters India Pvt. Ltd. ..Plaintiffs.

Vs.

The Maharashtra State Co-op. Bank ..Defendants.

Mr.Padmaja Dholakia i/b.M/s.Dholakia Gupte & Co. for the Plaintiffs.

Mr.S.D.Dharmadhikari for the Defendants.

CORAM : S.J. VAZIFDAR, J.
DATED : 5TH DECEMBER, 2005

P.C. :

The Plaintiffs provided services to the Defendants pursuant to and in terms of a contract entered into in January, 1991. Subsequently, a contract dated 1.3.1999 was entered into. At that time, the Defendant's International banking division and Funds Management division availed of the services from the same premises.

2. The Plaintiffs are not really concerned with the internal divisions of the Defendants. As per the contract, the order form at Exhibit "B" was executed.

3. By a letter dated 14.12.1999 the Plaintiffs were informed that henceforth the two divisions would be operating from separate locations. Subsequently, the international banking division executed two further order forms (Exhibit "F" and "G" to the plaint) dated 5.12.2000 and 23.1.2001 for additional services.

4. That the services were availed of is not denied. That the agreement and the order form is executed is not denied. That the services were provided for the same is not denied. That the Defendants availed of the services is not denied.

5. By a letter dated 28.9.2001 addressed by the International Banking Division of the Defendants, the agreement was terminated. Similarly, by a letter dated 17.10.2001, the Funds Division of the Defendants terminated the said agreement.

6. Under clause 2 of the agreement, either party was entitled to cancel this service by prior written notice to the other of not less than specified periods which, in the present case is 12 months.

7. Services were provided upto 21.4.2002. That for this period an amount of Rs.4,54,106.70 is due cannot be disputed. As regards the same, there is no defence. The reference to the agreement of June, 1993 is of no assistance to the Defendants. Admittedly, the suit agreement dated 1.3.1999 was executed not for any specific division but for the Defendants in January.

8. The Plaintiff has also claimed Rs.4,94,429.40 as liquidated damages for the period 22.4.2002 till 28.9.2002 being 75% of the subscription charges payable for the balance notice period. This is a claim of liquidated damages which the Plaintiff may well be entitled to, but not at this stage.

9. In the circumstances, the Summons for Judgment is made absolute and the suit is decreed in the sum of Rs.4,54,106.70 together with interest thereon from the date of filing of the suit till payment and/or realisation.

10. The Defendants are granted unconditional leave to defend the suit in respect of the balance claim in the suit.

11. The suit is transferred to the list of commercial causes.

12. The Defendants to file their written statement within four weeks from today.

13. Discovery and Inspection to be completed within six weeks thereafter.

14. Summons for Judgment stands disposed of accordingly.